

## **SENATE BILL No. 225**

DIGEST OF SB 225 (Updated February 26, 2001 1:07 PM - DI 52)

**Citations Affected:** IC 6-2.1; IC 13-11; IC 13-26.5.

**Synopsis:** Onsite waste management districts. Permits the establishment of regional onsite waste management districts. Specifies the requirements for establishment of a district through a petition and hearing process, and for the operation of a district.

Effective: July 1, 2001.

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January 9, 2001, read first time and referred to Committee on Environmental Affairs. February 27, 2001, amended, reported favorably — Do Pass.



First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2000 General Assembly.

## **SENATE BILL No. 225**

A BILL FOR AN ACT to amend the Indiana Code concerning environmental law.

Be it enacted by the General Assembly of the State of Indiana:

1	SECTION 1. IC 6-2.1-3-33 IS AMENDED TO READ AS
2	FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 33. Gross income
3	received by:
4	(1) a conservancy district established under IC 14-33-20 or under
5	IC 13-3-4 (before its repeal);
6	(2) a regional water, sewage, or solid waste district established
7	under IC 13-26 or IC 13-3-2 (before its repeal);
8	(3) a nonprofit corporation formed solely for the purpose of
9	supplying water to the public;
10	(4) a county solid waste management district or a joint solid waste
11	management district established under IC 13-21 or IC 13-9.5-2
12	(before its repeal); or
13	(5) a nonprofit corporation formed for the purpose of providing a
14	combination of:
15	(A) water; and
16	(B) sewer and sewage service;
17	to the public; or

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1	(6) a regional onsite waste management district established
2	under IC 13-26.5;
3	is exempt from the gross income tax.
4	SECTION 2. IC 13-11-2-58 IS AMENDED TO READ AS
5	FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 58. (a) "District", for
6	purposes of IC 13-20-20, IC 13-21, and IC 13-20-22, refers to:
7	(1) a county solid waste management district; or
8	(2) a joint solid waste management district;
9	established under IC 13-21-3-1 or IC 13-9.5-2-1 (before its repeal).
10	(b) "District", for purposes of IC 13-26, refers to a regional water,
11	sewage, or solid waste district established under:
12	(1) IC 13-26;
13	(2) IC 13-3-2 (before its repeal on July 1, 1996); or
14	(3) IC 19-3-1.1 (before its repeal on April 1, 1980).
15	(c) "District", for purposes of IC 13-26.5, refers to a regional
16	onsite waste management district established under IC 13-26.5.
17	SECTION 3. IC 13-11-2-158 IS AMENDED TO READ AS
18	FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 158. (a) "Person", for
19	purposes of:
20	(1) IC 13-21;
21	(2) air pollution control laws;
22	(3) water pollution control laws; and
23	(4) environmental management laws, except as provided in
24	subsections (c), (d), (e), and (h);
25	means an individual, a partnership, a copartnership, a firm, a company,
26	a corporation, an association, a joint stock company, a trust, an estate,
27	a municipal corporation, a city, a school city, a town, a school town, a
28	school district, a school corporation, a county, any consolidated unit of
29	government, political subdivision, state agency, a contractor, or any
30	other legal entity.
31	(b) "Person", for purposes of:
32	(1) IC 13-18-10; and
33	(2) IC 13-20-17;
34	means an individual, a partnership, a copartnership, a firm, a company,
35	a corporation, an association, a joint stock company, a trust, an estate,
36	a political subdivision, a state agency, or other legal entity, or their
37	legal representative, agent, or assigns.
38	(c) "Person", for purposes of:
39	(1) IC 13-20-13;
40	(2) IC 13-20-14;
41	(3) IC 13-20-16; and
12	(A) IC 13-25-6·



1	means an individual, a corporation, a limited liability company, a
2	partnership, or an unincorporated association.
3	(d) "Person", for purposes of IC 13-23, has the meaning set forth in
4	subsection (a). The term includes a consortium, a joint venture, a
5	commercial entity, and the United States government.
6	(e) "Person", for purposes of IC 13-25-3, means an individual, a
7	corporation, a limited liability company, a partnership, a trust, an
8	estate, or an unincorporated association.
9	(f) "Person", for purposes of IC 13-26 and IC 13-26.5, means an
0	individual, a firm, a partnership, an association, a limited liability
1	company, or a corporation other than an eligible entity.
2	(g) "Person", for purposes of IC 13-29-1, means any individual,
3	corporation, business enterprise, or other legal entity either public or
4	private and any legal successor, representative, agent, or agency of that
. 5	individual, corporation, business enterprise, or legal entity.
6	(h) "Person", for purposes of:
7	(1) IC 13-30-6-6;
8	(2) IC 13-30-6-7; and
9	(3) IC 13-30-8-1;
20	has the meaning set forth in IC 35-41-1.
21	SECTION 4. IC 13-11-2-164 IS AMENDED TO READ AS
22	FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 164. (a) "Political
23	subdivision", for purposes of IC 13-18-13, means:
24	(1) a political subdivision (as defined in IC 36-1-2);
25	(2) a regional water, sewage, or solid waste district organized
26	under:
27	(A) IC 13-26; or
28	(B) IC 13-3-2 (before its repeal July 1, 1996); or
29	(3) a local public improvement bond bank organized under
30	IC 5-1.4; <b>or</b>
31	(4) a regional onsite waste management district organized
32	under IC 13-26.5.
33	(b) "Political subdivision", for purposes of IC 13-18-21, means:
34	(1) a political subdivision (as defined in IC 36-1-2);
35	(2) a regional water, sewage, or solid waste district organized
86	under:
37	(A) IC 13-26; or
88	(B) IC 13-3-2 (before its repeal July 1, 1996);
89	(3) a local public improvement bond bank organized under
10	IC 5-1.4;
1	(4) a qualified entity described in IC 5-1.5-1-8(4) that is a public
12	water utility described in IC 8-1-2-125; or



1	(5) a conservancy district established for the purpose set forth in
2	IC 14-33-1-1(a)(4).
3	(c) "Political subdivision", for purposes of IC 13-19-5, has the
4	meaning set forth in IC 36-1-2-13 and includes a redevelopment district
5	under IC 36-7-14 or IC 36-7-15.1.
6	SECTION 5. IC 13-11-2-201 IS AMENDED TO READ AS
7	FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 201. "Sewage disposal
8	system", for purposes of IC 13-18-12 and IC 13-26.5, means septic
9	tanks, wastewater holding tanks, seepage pits, cesspools, privies,
10	composting toilets, interceptors or grease traps, portable sanitary units,
11	and other equipment, facilities, or devices used to:
12	(1) store;
13	(2) treat;
14	(3) make inoffensive; or
15	(4) dispose of;
16	human excrement or liquid carrying wastes of a domestic nature.
17	SECTION 6. IC 13-26.5 IS ADDED TO THE INDIANA CODE AS
18	A <b>NEW</b> ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
19	2001]:
20	ARTICLE 26.5. REGIONAL ONSITE WASTE
21	MANAGEMENT DISTRICTS
22	Chapter 1. Definitions and Applicability
23	Sec. 1. The definitions in this chapter apply throughout this
24	article.
25	Sec. 2. "District" means a regional onsite waste management
26	district established under this article.
27	Sec. 3. "Multiple county district" means a district with area in
28	more than one (1) county.
29	Sec. 4. "System" means a sewage disposal system.
30	Chapter 2. Purposes of Regional Districts
31	Sec. 1. A regional onsite waste management district may be
32	established under this article to perform one (1) or more of the
33	following functions related to onsite waste management:
34	(1) Inventory of systems.
35	(2) Inspection of systems.
36	(3) Monitoring the:
37	(A) performance;
38	(B) installation; and
39	(6)
	(C) maintenance;
40	of systems.



1	that are no less stringent than standards established by the
2	state department of health; and
3	(B) procedures for enforcement of the standards.
4	(5) Seeking grants for:
5	(A) system maintenance; and
6	(B) any other activities described in this article.
7	(6) Recommending rates and charges to be imposed under this
8	article by the county executives of the counties in which the
9	district is located for the operation of the district.
10	(7) Establishing policy and procedures for the use of grants
11	and other revenue of the district for installation, maintenance,
12	and other activities of the district relating to systems in the
13	district.
14	(8) Seeking solutions for disposal of septage from systems.
15	(9) Education and training of system service providers and
16	system owners.
17	(10) Coordination of activities of the district with activities of:
18	(A) local health departments;
19	(B) the department;
20	(C) the department of natural resources; and
21	(D) the state department of health.
22	(11) Other functions as determined by the governing body of
23	the district.
24	Enforcement of standards by a district under subdivision (4) does
25	not affect the authority of the department or the state department
26	of health.
27	Chapter 3. Establishment of Regional Districts
28	Sec. 1. (a) The establishment of a regional district whose
29	proposed territory is all or a part of the area of one (1) county may
30	be initiated only by the executive of the county.
31	(b) The establishment of a regional district whose proposed
32	territory is all or part of the areas of more than one (1) county may
33	be initiated only upon agreement of the executives of all of the
34	affected counties.
35	(c) A notice of intent to establish a district must be filed in:
36	(1) the office of the executive of each governmental entity
37	having territory within the proposed district;
38	(2) the department; and
39	(3) the state department of health.
40	Sec. 2. A notice of intent to establish a district under this
41	chapter must state the following:
42	(1) The proposed name of the district.



1	(2) The place in which the district's principal office is to be
2	located.
3	(3) The following information:
4	(A) The need for the proposed district.
5	(B) The purpose to be accomplished.
6	(C) How the district will be conducive to the public health,
7	safety, convenience, or welfare,
8	(4) An accurate description of the territory to be included in
9	the district, which does not have to be given by metes and
10	bounds or by legal subdivisions.
11	(5) The plan for financing the cost of the operations of the
12	district until the district is in receipt of revenue from the
13	district's operations.
14	(6) Estimates of the following:
15	(A) The costs of accomplishing the purpose of the district.
16	(B) The sources of the funding of these costs.
17	(C) The rates and charges that will be required.
18	Sec. 3. The district may include area that is not contiguous, but
19	the territory must be so situated that the public health, safety,
20	convenience, or welfare will be promoted by the establishment of
21	the area described as a single district.
22	Sec. 4. The description of the area to be included in a district
23	may not include area in a municipality that has, by ordinance or
24	resolution filed with the county or counties establishing the district,
25	exercised the option not to be included in the district.
26	Sec. 5. Upon the filing of a notice of intent to establish a district
27	under this chapter, the county executive shall appoint a hearing
28	officer to preside over hearings concerning the establishment of a
29	district. The hearing officer does not have to be a state or county
30	employee. If the hearing officer is not a full-time state or county
31	employee, the hearing officer is entitled to be paid reasonable:
32	(1) expenses; and
33	(2) per diem;
34	for each day or part of a day in actual attendance at a meeting or
35	hearing or in performance of duties.
36	Sec. 6. (a) The hearing officer shall fix a time and place inside or
37	within ten (10) miles of the proposed district for the hearing on any
38	matter for which a hearing is authorized under this chapter.
39 40	(b) The hearing officer shall provide notice of the hearing as follows:
40	(1) By publication of notice at least two (2) weeks before the
41	(1) by publication of notice at least two (2) weeks before the

hearing in a newspaper of general circulation in each of the



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1	counties that has territory within the proposed district.
2	(2) By certified mail, return receipt requested, mailed at least
3	two (2) weeks before the hearing to the department and the
4	state department of health.
5	(3) By posting a copy of the notice at the principal office of the
6	public agency holding the meeting or, if no such office exists,
7	at the building where the hearing is to be held at least
8	forty-eight (48) hours before the hearing.
9	Sec. 7. A person that resides in or partially resides in an area
.0	affected by the establishment of a district:
.1	(1) may, on or before the date set for the hearing, file a
2	written objection to the establishment of the district; and
3	(2) may be heard at the hearing.
4	Sec. 8. (a) After the hearing on the establishment of the
.5	proposed district, which may be adjourned periodically, the
6	hearing officer shall make findings and recommendations as to
.7	whether the establishment of the district should be:
8	(1) approved;
9	(2) approved with modifications; or
20	(3) denied.
21	(b) The hearing officer shall consider, at a minimum, the
22	following in making findings and recommendations concerning the
23	establishment of a proposed district:
24	(1) Whether the proposed district complies with the
25	conditions of this chapter for establishment of a district.
26	(2) Whether the proposed district appears capable of
27	accomplishing its purpose or purposes in an economically
28	feasible manner.
29	Sec. 9. (a) Following a hearing under this chapter, if:
30	(1) the executive of a county, if the area of the district will be
31	in that county, determines; or
32	(2) for a multiple county district, the executives of those
33	counties determine;
34	that the findings and recommendations of the hearing officer show
35	that the proposed district appears capable of accomplishing the
86	purpose or purposes of the district in an economically feasible
37	manner, a regional district may be established under subsection
88	(b).
39	(b) A regional district may be established:
10	(1) by the adoption of an ordinance by the executive of a
1	county, if the area of the district will be in that county; or
12	(2) for a multiple county district, by the adoption of joint



1	ordinances by the executives of two (2) or more counties.
2	Sec. 10. The district shall provide notice of the adoption of an
3	ordinance under section 9 of this chapter to:
4	(1) local health departments;
5	(2) the department;
6	(3) the department of natural resources; and
7	(4) the state department of health.
8	Sec. 11. A district established under this chapter is not an
9	independent municipal corporation.
10	Sec. 12. An ordinance adopted under section 9 of this chapter
11	must state the following:
12	(1) The name of the district.
13	(2) The need for the district.
14	(3) The purpose to be accomplished by the district.
15	(4) An accurate description of the territory included in the
16	district, which does not have to be given by metes and bounds
17	or by legal subdivisions.
18	(5) Estimates of the costs of the operations of the district.
19	(6) The plan for financing the cost of the operations of the
20	district by the county or counties in which the district is
21	located.
22	Chapter 4. Governing Body of a Regional District
23	Sec. 1. (a) For a district with area in one (1) county, the
24	executive of the county is the governing body of the district.
25	(b) For a multiple county district, the executives of all the
26	counties in which the district is located act jointly as the governing
27	body of the district.
28	Sec. 2. (a) The governing body of a district with area in one (1)
29	county may take action by adoption of an ordinance.
30	(b) The governing body of a multiple county district may take
31	action by adoption of a joint ordinance of all of the county
32	executives that comprise the governing body.
33	Chapter 5. Powers and Duties of Regional Districts
34	Sec. 1. Upon establishment of the district, the district may
35	exercise all the rights, powers, and duties conferred upon the
36	district by this article.
37	Sec. 2. A district may do the following:
38	(1) Make contracts for the services necessary for the
39	operations of the district, including management of the
40	district by any public or private entity.
41	(2) Adopt, amend, and repeal bylaws for the administration
42	of the district's affairs.



I	(3) Fix, alter, charge, and collect reasonable rates and other
2	charges, to be imposed by the county executives of each
3	county in which the district is located, in the area served by
4	the district with respect to every person whose premises are
5	whether directly or indirectly, served by the district, for the
6	following purposes:
7	(A) To fulfill the terms of contracts made by the district.
8	(B) To pay the other expenses of the district.
9	(4) Refuse the services of the district if the rates and other
10	charges are not paid by the user.
11	(5) Control and supervise all licenses, money, contracts
12	accounts, books, records, maps, or other property rights and
13	interests conveyed, delivered, transferred, or assigned to the
14	district.
15	(6) Upon consent of the governing body of a district with area
16	in one (1) county, or all of the county executives that comprise
17	the governing body of a multiple county district, merge or
18	combine with another district into a single district on terms so
19	that the surviving district:
20	(A) is possessed of all rights, franchises, and authority of
21	the constituent districts; and
22	(B) is subject to all the liabilities, obligations, and duties of
23	each of the constituent districts, with all rights of creditors
24	of the constituent districts being preserved unimpaired.
25	(7) Make provision for, contract for, or sell the district's
26	byproducts or waste.
27	(8) Adopt and enforce rules:
28	(A) to establish procedures for the governing body's
29	actions; or
30	(B) for any other lawful subject necessary to the operation
31	of the district and the exercise of the power granted.
32	Sec. 3. A district may make contracts or incur obligations only
33	if the contracts or obligations are payable solely from:
34	(1) revenue the district is permitted to raise under this article;
35	or
36	(2) federal, state, or other grants or contributions.
37	Chapter 6. District Plan
38	Sec. 1. A district plan for the operation of the district must
39	include:
40	(1) a detailed statement of the activities under IC 13-26.5-2-1
41	that the district plans to undertake; and
42	(2) a timetable for the activities under subdivision (1).



1	Chapter 7. Payment of District Expenses
2	Sec. 1. Each district must keep proper records showing the
3	district's finances.
4	Sec. 2. A local, state, or federal agency or person may advance
5	or give a district money to be used by the district for the following
6	purposes:
7	(1) The preparation of a plan for the operation of the district.
8	(2) Other purposes of the district until the district is in receipt
9	of revenue from its operations or from the counties in which
10	the district is located.
11	Sec. 3. When a district receives revenue from its operations or
12	from the counties in which the district is located, the district shall
13	repay any money advanced to the advancing agency in the manner
14	agreed.
15	Sec. 4. The governing body of a district may provide for the use
16	of revenue of the county, or revenue of the counties for a multiple
17	county district, for operation of the district.
18	Chapter 8. Territorial Authority of Sewage Disposal Companies
19	Sec. 1. This article does not limit the following:
20	(1) The formation and operation under IC 8-1-2-89 of a
21	sewage disposal company to provide sewage disposal service
22	to an area in the area of a district.
23	(2) The granting of a certificate of territorial authority under
24	IC 8-1-2-89 encompassing a part of the area within the
25	district.
26	Chapter 9. Rates and Charges
27	Sec. 1. The governing body may determine rates and charges of
28	the district, to be imposed by the county executive of each county
29	in which the district is located, based on the following:
30	(1) A flat charge for each system.
31	(2) Variable charges based on the capacity of a system.
32	(3) Other factors that the governing body determines are
33	necessary to establish just and equitable rates and charges.
34	Sec. 2. Unless the governing body finds and directs otherwise,
35	the district is considered to benefit every:
36	(1) lot;
37	(2) parcel of land; or
38	(3) building;
39	served by a system. The rates or charges shall be billed and
40	collected accordingly.
41	Sec. 3. (a) Just and equitable rates and charges are those that
42	produce sufficient revenue to pay all expenses incident to the



1	operation of the district.
2	(b) Rates and charges too low to meet the financial requirements
3	described in subsection (a) are unlawful.
4	Sec. 4. The county executive of each county in which the district
5	is located shall impose the initial rates and charges determined by
6	the governing body. The county executive shall establish the rates
7	and charges after a public hearing at which all:
8	(1) the users of systems in the part of the district located in the
9	county; and
10	(2) others interested;
11	have an opportunity to be heard concerning the proposed rates and
12	charges.
13	Sec. 5. After introduction of the ordinance initially fixing rates
14	and charges but before the ordinance is finally adopted, notice of
15	the hearing setting forth the proposed schedule of the rates and
16	charges must be given by publication one (1) time each week for
17	two (2) weeks in a newspaper of general circulation in each of the
18	counties in which the district is located. The last publication must
19	be at least seven (7) days before the date fixed in the notice for the
20	hearing. The hearing may be adjourned as necessary.
21	Sec. 6. (a) The ordinance establishing the initial rates and
22	charges, either as:
23	(1) originally introduced; or
24	(2) modified and amended;
25	shall be passed and put into effect after the hearing. However, the
26	governing body must approve any modification or amendment of
27	the rates and charges.
28	(b) A copy of the schedule of the rates and charges established
29	must be:
30	(1) kept on file in the office of the district; and
31	(2) open to public inspection.
32	Sec. 7. A change of the rates and charges may be made in the
33	same manner as the rates and charges were originally established.
34	Chapter 10. Liens for Rates and Charges
35	Sec. 1. The rates and charges made, assessed, or established
36	under this article against:
37	(1) a lot;
38	(2) a parcel of land; or
39	(3) a building;
40	that is served by the district are a lien against the lot, parcel of
41	land, or building.
42	Sec. 2. Except as provided in sections 5 and 6 of this chapter, a



1	lien attaches at the time of the recording of the list in the county
2	recorder's office as provided in IC 13-26.5-11. The lien:
3	(1) is superior to and takes precedence over all other liens
4	except the lien for taxes; and
5	(2) shall be enforced under this article.
6	Sec. 3. If rates and charges are not paid within the time fixed by
7	the governing body, the rates and charges become delinquent and
8	a penalty of ten percent (10%) of the amount of the rates and
9	charges attaches to the rates and charges. The governing body may
10	recover:
11	(1) the amount due;
12	(2) the penalty; and
13	(3) a reasonable attorney's fee;
14	in a civil action in the name of the district.
15	Sec. 4. The rates and charges, together with the penalty, are
16	collectible in the manner provided by this article.
17	Sec. 5. (a) A rate or charge is not enforceable as a lien against a
18	subsequent owner of property unless the lien for the rate or charge
19	was recorded with the county recorder before the conveyance to
20	the subsequent owner.
21	(b) If the property is conveyed before the lien can be filed, the
22	officer of the district who is charged with the collection of the rate
23	or charge shall notify the person who owned the property at the
24	time the fee became payable. The notice must inform the person
25	that payment, including penalty fees for delinquencies, is due not
26	less than fifteen (15) days after the date of the notice. If payment is
27	not received not later than one hundred eighty (180) days after the
28	date of the notice, the amount due may be expensed as a bad debt
29	loss.
30	Sec. 6. (a) This section applies whenever the owner of the
31	property has notified the general office of the district by certified
32	mail with return receipt requested of the address to which the
33	owner's notice is to be sent.
34	(b) A lien does not attach against a lot, parcel of land, or
35	building occupied by someone other than the owner unless the
36	officer of the district who is charged with the collection of rates
37	and charges notifies the owner of the property after the rates and
38	charges have become sixty (60) days delinquent.
39	Sec. 7. (a) The district shall release:
40	(1) liens filed with the county recorder after the recorded date
41	of conveyance of the property; and
42	(2) delinquent fees incurred by the seller;



upon receipt of a verified demand in writing from the purchaser. (b) The demand must state the following:	
(1) That the delinquent fees were not incurred by the	
purchaser as a user, lessee, or previous owner. (2) That the purchaser has not been paid by the seller for the	
delinquent fees.	
Chapter 11. Enforcement of Delinquencies Sec. 1. This chapter applies only to fees or penalties that have	
been due and unpaid for at least ninety (90) days.	
Sec. 2. A district may enforce delinquent fees and penalties in	
the manner described in IC 13-26-13.	



## COMMITTEE REPORT

Mr. President: The Senate Committee on Environmental Affairs, to which was referred Senate Bill No. 225, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 3, between lines 20 and 21, begin a new paragraph and insert: "SECTION 4. IC 13-11-2-164 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 164. (a) "Political subdivision", for purposes of IC 13-18-13, means:

- (1) a political subdivision (as defined in IC 36-1-2);
- (2) a regional water, sewage, or solid waste district organized under:
  - (A) IC 13-26; or
  - (B) IC 13-3-2 (before its repeal July 1, 1996); or
- (3) a local public improvement bond bank organized under IC 5-1.4; or
- (4) a regional onsite waste management district organized under IC 13-26.5.
- (b) "Political subdivision", for purposes of IC 13-18-21, means:
  - (1) a political subdivision (as defined in IC 36-1-2);
  - (2) a regional water, sewage, or solid waste district organized under:
    - (A) IC 13-26; or
    - (B) IC 13-3-2 (before its repeal July 1, 1996);
  - (3) a local public improvement bond bank organized under IC 5-1.4;
  - (4) a qualified entity described in IC 5-1.5-1-8(4) that is a public water utility described in IC 8-1-2-125; or
  - (5) a conservancy district established for the purpose set forth in IC 14-33-1-1(a)(4).
- (c) "Political subdivision", for purposes of IC 13-19-5, has the meaning set forth in IC 36-1-2-13 and includes a redevelopment district under IC 36-7-14 or IC 36-7-15.1.

SECTION 5. IC 13-11-2-201 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 201. "Sewage disposal system", for purposes of IC 13-18-12 and IC 13-26.5, means septic tanks, wastewater holding tanks, seepage pits, cesspools, privies, composting toilets, interceptors or grease traps, portable sanitary units, and other equipment, facilities, or devices used to:

- (1) store;
- (2) treat;
- (3) make inoffensive; or

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(4) dispose of;

human excrement or liquid carrying wastes of a domestic nature.".

Page 3, line 33, delete "septic system or other onsite waste" and insert "sewage disposal system.".

Page 3, delete line 34.

Page 4, line 5, delete "systems;" and insert "systems that are no less stringent than standards established by the state department of health;".

Page 4, line 11, delete "fees" and insert "rates and charges".

Page 4, between lines 27 and 28, begin a new line blocked left and insert:

"Enforcement of standards by a district under subdivision (4) does not affect the authority of the department or the state department of health."

Page 4, line 29, after "Sec. 1." insert "(a)".

Page 4, line 29, after "district" insert "whose proposed territory is all or a part of the area of one (1) county".

Page 4, line 29, delete "initiated:" and insert "initiated only by the executive of the county.

- (b) The establishment of a regional district whose proposed territory is all or part of the areas of more than one (1) county may be initiated only upon agreement of the executives of all of the affected counties.
  - (c) A notice of intent to establish a district must be filed in:
    - (1) the office of the executive of each governmental entity having territory within the proposed district;
    - (2) the department; and
    - (3) the state department of health.
- Sec. 2. A notice of intent to establish a district under this chapter must state the following:
  - (1) The proposed name of the district.
  - (2) The place in which the district's principal office is to be located.
  - (3) The following information:
    - (A) The need for the proposed district.
    - (B) The purpose to be accomplished.
    - (C) How the district will be conducive to the public health, safety, convenience, or welfare,
  - (4) An accurate description of the territory to be included in the district, which does not have to be given by metes and bounds or by legal subdivisions.
  - (5) The plan for financing the cost of the operations of the







district until the district is in receipt of revenue from the district's operations.

- (6) Estimates of the following:
  - (A) The costs of accomplishing the purpose of the district.
  - (B) The sources of the funding of these costs.
  - (C) The rates and charges that will be required.
- Sec. 3. The district may include area that is not contiguous, but the territory must be so situated that the public health, safety, convenience, or welfare will be promoted by the establishment of the area described as a single district.
- Sec. 4. The description of the area to be included in a district may not include area in a municipality that has, by ordinance or resolution filed with the county or counties establishing the district, exercised the option not to be included in the district.
- Sec. 5. Upon the filing of a notice of intent to establish a district under this chapter, the county executive shall appoint a hearing officer to preside over hearings concerning the establishment of a district. The hearing officer does not have to be a state or county employee. If the hearing officer is not a full-time state or county employee, the hearing officer is entitled to be paid reasonable:
  - (1) expenses; and
  - (2) per diem;

for each day or part of a day in actual attendance at a meeting or hearing or in performance of duties.

- Sec. 6. (a) The hearing officer shall fix a time and place inside or within ten (10) miles of the proposed district for the hearing on any matter for which a hearing is authorized under this chapter.
- (b) The hearing officer shall provide notice of the hearing as follows:
  - (1) By publication of notice at least two (2) weeks before the hearing in a newspaper of general circulation in each of the counties that has territory within the proposed district.
  - (2) By certified mail, return receipt requested, mailed at least two (2) weeks before the hearing to the department and the state department of health.
  - (3) By posting a copy of the notice at the principal office of the public agency holding the meeting or, if no such office exists, at the building where the hearing is to be held at least forty-eight (48) hours before the hearing.
- Sec. 7. A person that resides in or partially resides in an area affected by the establishment of a district:
  - (1) may, on or before the date set for the hearing, file a



written objection to the establishment of the district; and

- (2) may be heard at the hearing.
- Sec. 8. (a) After the hearing on the establishment of the proposed district, which may be adjourned periodically, the hearing officer shall make findings and recommendations as to whether the establishment of the district should be:
  - (1) approved;
  - (2) approved with modifications; or
  - (3) denied.
- (b) The hearing officer shall consider, at a minimum, the following in making findings and recommendations concerning the establishment of a proposed district:
  - (1) Whether the proposed district complies with the conditions of this chapter for establishment of a district.
  - (2) Whether the proposed district appears capable of accomplishing its purpose or purposes in an economically feasible manner.
  - Sec. 9. (a) Following a hearing under this chapter, if:
    - (1) the executive of a county, if the area of the district will be in that county, determines; or
    - (2) for a multiple county district, the executives of those counties determine;

that the findings and recommendations of the hearing officer show that the proposed district appears capable of accomplishing the purpose or purposes of the district in an economically feasible manner, a regional district may be established under subsection (b).

(b) A regional district may be established:".

Page 4, line 34, delete "Sec. 2." and insert "Sec. 10.".

Page 4, line 35, delete "section 1" and insert "section 9".

Page 4, line 40, delete "Sec. 3." and insert "Sec. 11.".

Page 4, line 42, delete "Sec. 4." and insert "Sec. 12.".

Page 4, line 42, delete "section 1" and insert "section 9".

Page 5, delete lines 12 through 19.

Page 10, line 8, delete "The officer of the district who is charged with the" and insert "A district may enforce delinquent fees and penalties in the manner described in IC 13-26-13.".

Page 10, delete lines 9 through 42.



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Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 225 as introduced.)

GARD, Chairperson

Committee Vote: Yeas 6, Nays 1.

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